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SENATE

{ REPORT
No. 71

AMENDING THE ACT INCORPORATING THE AMERICAN LEGION SO AS TO REDEFINE THE CORPORATE POWERS OF THAT ORGANIZATION

JANUARY 29, 1951.—Ordered to be printed

Mr. O'CONOR, from the Committee on the Judiciary, submitted the
following

REPORT

[To accompany S. 516]

The Committee on the Judiciary, to which was referred the bill (S. 516) to amend the act incorporating the American Legion so as to redefine (a) the powers of said corporation, (b) the right to the use of the name "The American Legion" and "American Legion", having considered the same report favorable thereon without amendment and recommend that the bill do pass.

PURPOSE

The purpose of the proposed legislation is to redefine (a) the corporate powers of the American Legion, (b) the right to the use of the name "American Legion" as well as the name "The American Legion."

STATEMENT

An identical bill passed the Senate in the Eighty-first Congress. One of the sources of income to the American Legion is the licensing of firms to manufacture emblems for the use of the Legion and its members. Under the present Federal charter, the American Legion has the right to use such emblems and badges as it may adopt in furtherance of the purposes of the organization. The Legion now asks that the corporate powers of the American Legion be increased so that that organization may better protect the manufacture and use of its emblem. It is the contention of the Legion that unauthorized persons and firms have tried to manufacture American Legion

emblems. If protection is given the Legion by including in its Federal charter the right to control the manufacture and use of the emblem, that organization feels that it may more adequately cope with those who would both deprive the Legion of a portion of its income and degrade the honor of its emblem.

In section 2 of the present bill, the Legion also requests that it be given the exclusive right to use the name "American Legion" in addition to the use of its present name of "The American Legion." The Legion feels that this is necessary in order to facilitate its business in the various States since in some States the use of the "The" in the corporate name has been questioned.

The committee feel that the extension in the corporate powers of this organization and the right to have sole use of the name "American Legion" are both necessary and desirable to protect this fine service organization from infringement on the use and manufacture of its emblem and to facilitate its corporate business. Therefore, the committee recommend that the bill be favorably considered.

CHANGES IN EXISTING LAW

In compliance with subsection (4) of rule XXIX of the Standing Rules of the Senate, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italics, existing law in which no change is proposed is shown in roman):

SEC. 4. That the corporation created shall have the following powers: To have perpetual succession with power to sue and be sued in courts of law and equity; to receive, hold, own, use, and dispose of such real estate and personal property as shall be necessary for its corporate purposes; to adopt a corporate seal and alter the same at pleasure; to adopt a constitution, by-laws, and regulations to carry out its purposes, not inconsistent with the laws of the United States or of any State; to use in carrying out the purposes of the corporation such emblems and badges as it may adopt *and to have the exclusive right to manufacture, and to control the right to manufacture, and to use, such emblems and badges as may be deemed necessary in the fulfillment of the purposes of the corporation;* to establish and maintain offices for the conduct of its business; to establish State and Territorial organizations and local chapter or post organization; to publish a magazine or other publications, and generally to do any and all such acts and things as may be necessary and proper in carrying into effect the purposes of the corporation.

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SEC. 8. That said corporation and its State and local subdivisions shall have the sole and exclusive right to have and to use in carrying out its purposes the name "The American Legion," or "*American Legion*".

